Order to Adopt

Title 13, Division 1, Chapter 1

Article 3.1 – Special Interest License Plates Specialized License Plates

§ 160.00. Definitions.

- (a) "Marketing expenditures" include funds expended for written or print documents or brochures, webpages, e-mail or electronic solicitation, mass media usage, or other tools and licensing fees for intellectual property use of images.
- (a)(b) "Plate program" is any program that involves the issuance of specialized license plates to the public for a fee that is in addition to the regular fees for an original registration, renewal of registration, or transfer of registration of a vehicle.
- (b)(c) "Plate type" means either sequentially numbered or personalized.
 - (1) A "sequentially numbered" plate is a license plate bearing the alpha-numeric registration number issued by the department.
 - (2) A "personalized plate" is a license plate bearing a registration number issued in a combination of numbers, letters, or symbols authorized by statute, requested by the owner or lessee of a vehicle.
- (e)(d) "Sponsor" means the entity authorized by the Vehicle Code to apply to the department to create, maintain, report on, or cancel a plate program. Sponsor includes a state agency as defined in Vehicle Code Section 5151.
- (d)(e) "Vehicle type" means an automobile, motorcycle, commercial vehicle, or trailer.

NOTE: Authority cited: Sections 1651 and 5110, Vehicle Code. Reference: Sections 5024, 5151, 5156, and 5169 Vehicle Code.

§ 160.02. Reports.

- (a) A sponsor that expends funds collected from the sale of specialized plates on administrative costs associated with maintaining the plate program, and/or marketing or other promotional activities associated with encouraging application for or renewal of specialized plates shall submit an annual financial report to the department.
- (b) The annual financial report shall be submitted to the department by June 30 of each calendar year and include all of the following:
- (1) An itemization of administrative expenditures including personnel expenses and nonpersonnel expenses incurred to administer the program, marketing expenditures, as defined in section 160.00, and promotional activity expenditures the sponsor has incurred; and

- (2) A description and itemization of non-administrative expenditures; and
- (3) An accounting of all funds disbursed by the department to the organization or agency in the preceding 12 months prior to the date of the report.

NOTE: Authority cited: Section 1651, Vehicle Code. Reference: Sections 5060, 5110, 5156, 5159, and 5160, Vehicle Code.

§160.04. License Plate Program Sponsor Application.

At the time a plate program is requested, the sponsor shall:

- (a) Submit to the department a CA Department of Motor Vehicles License Plate Template, form REG 933 (VER. 9/6/2016), incorporated here by reference, specifying the proposed plate design containing a distinctive design, decal or descriptive message that meets all of the following:
- (1) Contains an image or message no greater that 2 inches by 3 inches to be located to the left of the registration number; and
- (2)(1) A message of no more than $5/8^{th}$ inch high and 5 inches wide to be printed beneath the registration number, and that uses four colors or fewer, that are distinct from the color used by the department for the registration number.
- (3) Does not contain a message that is offense to good taste and decency as those terms are defined in section 170.00(c)(7)(D);
- (4)(2) Does not contain copyrighted material, or the commercial property, logo, slogan, message or motto of a non-governmental entity, either for-profit or non-profit, unless expressly allowed in the Vehicle Code and for which a valid Licensing Agreement or other evidence demonstrates the use of the material on a plate is authorized by the copyright or trademark holder(s);
- (5)(3) Incorporates the location, font and color and the size of the word "California" or "Cal" in current use by the department on regular series plates;
- (6)(4) If the background color is designed as a non-white color, the color shall be sufficiently contrasted with the color of the registration number in use on standard plates to provide legibility, reflectivity and visibility equivalent to the standard plate issued by the department at the time of the application. Any The design must meet the following standards after testing by the Department of California Highway Patrol (CHP):
 - (A) The registration number must be clear and legible to a person with 20/20 vision in daylight from a distance of 75 feet, and in darkness with low-beam headlamps from 75 feet; and
 - (B) The registration number must be able to be accurately perceived by Automated License Plate Reader technology in use in California from a distance of <u>7535</u> feet at daytime, dusk and nighttime.
- (7)(5) The image and message contain content that is required by the Vehicle Code and is suitable as government speech in the estimation of the department.

- (8) Full plate graphics are prohibited unless allowed by the specific section of the Vehicle Code directing a sponsor to develop or adopt a plate with a full plate graphic. A single uniform color background is not a full plate graphic.
- (b) The sponsor must agree in writing that it will waive any claims against the department and will indemnify and hold harmless the State of California, including the California Department of Motor Vehicles, from and against any and all claims, liabilities, costs, and expenses stemming from the issuance of the plate, including but not limited to responding to claims that the selected design causes injury to the civil or property, including intellectual property, rights of any person.
- (c) The sponsor must develop and submit to the department for approval a marketing plan that all marketing materials including but not limited to:
- (1) Describes all of the All marketing tools, such as written or print documents or brochures, webpages, e-mail or electronic solicitation, mass media usage, or other tools, to be used in the marketing campaign for the proposed plate program;
- (2) <u>Includes a sample Samples</u> of all written or electronic messages or images suitable for a brochure, e-mail and marketing materials that will be used to solicit potential participants; and
- (d) The sponsor must submit to the department a financial plan stating the intended use of the revenue generated by the license plate program. The financial plan shall itemize expected administrative costs and explain the rationale for determining the percentage of anticipated revenue that will be used for administrative costs, marketing expenditures, as defined in section 160.00, and promotional activity expenditures, the sponsor will incur.

Note: Authority cited: Sections 1651 and 5110, Vehicle Code. Reference: Sections 4466, 4609, 4850, 4851, 5024, 5105, 5155, 5156, 5159, and 5160, Vehicle Code; and Walker v. Texas 135 S.Ct. 2239 (2015).

§161.06. Commemorative Collegiate License Plate Program.

- (a) The requirements in sections 160.02 through 161.06 apply to a sponsor of a commemorative collegiate license plate developed pursuant to Vehicle Code section 5024 except:
 - (1) A private post-secondary educational institution sponsor shall provide the department with documentation to prove it is accredited by the Western Association of Schools and Colleges, maintains a campus in California, and regularly enrolls students who may receive scholarships from the California Student Aid Commission.
 - (2) The requirements of section 160.04(a)(4)(2) and (d) do not apply to educational institution sponsors.
 - (3) The plate design shall be limited to the institution's distinctive logo, motto, symbol or other design. The distinctive design may only contain elements already in use by the institution in its branding or promotional materials, such as a mascot, logo, or similar image historically associated with the institution.

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(4) The application form and materials required to be submitted by a sponsor as set forth in section 160.04 are required to notify the department of a sponsor's intent to create a commemorative plate pursuant to Vehicle Code section 5024.

NOTE: Authority cited: Section 1651, Vehicle Code. Reference: Section 5024, Vehicle Code.